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UNHCR ACTIVITIES FINANCED BY VOLUNTARY FUNDS: REPORT FOR 1994-1995 AND PROPOSED PROGRAMMES AND BUDGET FOR 1996

PART II. ASIA AND OCEANIA

Section 3 - China

(Submitted by the High Commissioner)

GE.95-02228

II.3 CHINA

1. Beneficiary population

1. As at 31 December 1994 there were 287,100 Indo-Chinese refugees in China. The refugees were settled on 194 state farms and production sites in southern China. Of these Indo-Chinese refugees, some 110,700 persons or about 38 per cent were under 18 years of age and some 140,300 persons, or approximately 48 per cent of the entire caseload, were female.

2. In addition to Indo-Chinese, at the end of 1994 there were 45 non-Indo-Chinese from the Islamic Republic of Iran, Iraq, Sri Lanka, Somalia, Rwanda and Myanmar. This small urban refugee caseload resides mainly in Beijing. The durable solutions sought for this group are primarily third country resettlement and, in some cases, voluntary repatriation. The group continued to receive assistance pending the identification of a durable solution.

2. Developments in 1994 and 1995

3. A UNHCR programme mission visited China in mid-June 1994 to undertake a review of the programme in selected provinces prior to attending a joint Government/UNHCR Symposium on the reorientation of the UNHCR programme and the modalities for introducing a revolving fund based credit scheme, convened at Nanchang city, Jiangxi Province. Following the Symposium, it was envisaged that the reorientation of the programme towards self-sustainability would be implemented to conclude the present local settlement programme within a three-year time frame, covering the period from 1994 to 1996, during which assistance would be exclusively aimed at addressing remaining needs of a clearly defined target group of poor farms and settlements in some 55 locations.

4. Under the 1994 programme, some 22 per cent of the annual programme allocation was implemented, albeit on an experimental basis, in the form of a credit scheme. It was estimated in September 1994 that during the following two years of the programme reorientation period, i.e. 1995 and 1996, the average percentage of the programme allocation under the credit scheme would be in the region of 50 to 60 per cent annually, with the balance continuing to be programmed as grant assistance. The successful experiments in Guangxi and Yunnan in 1994 had led the provincial implementing partners to significantly increase their respective credit scheme allocations, resulting in the actual combined allocation exceeding 80 per cent under the 1995 programme.

5. The 1995 programme allocation clearly shows that the newly introduced revolving fund based credit scheme is accorded priority and has already gained significant momentum beyond initial expectation in comparison with grant assistance. The decisive shift in favour of the credit scheme reflects the growing confidence of the implementing partners in the new approach adopted jointly between the Government and UNHCR with a view to achieving programme self-sustainability within the 1994-1996 established time frame. Given the present momentum, it is now anticipated that a higher percentage of the 1996 programme allocation would be implemented under the revolving fund based credit scheme.

6. In response to the High Commissioner's letter to the Chinese Government on the question of regularizing UNHCR's presence in China, the Chinese Government in August 1994 formally confirmed its agreement in principle to the proposal concerning upgrading of the Office of the Chief of Mission (OCM) to a Branch Office. Details of the cooperation agreement are under discussion and are expected to be finalized between the Ministry of Foreign Affairs and OCM Beijing.

7. During the course of 1995, OCM Beijing will seek consultations with selected United Nations development agencies to explore, under the refugee aid and development approach, the feasibility of including the refugee hosting areas into their ongoing/planned area-based programmes in order to consolidate the impact of UNHCR assistance and facilitate the reintegration process. On the basis of preliminary discussions already undertaken with the Headquarters mission, United Nations Fund for Populations Activities (UNFPA) and FAO in particular will be approached to determine how their programme expertise and experience can be extended to the poorest refugee-hosting areas within the parameters of similar programmes benefiting local rural women they have already successfully implemented. This proposed complementary assistance is expected to provide a safety net for the most vulnerable groups, i.e. women and children, in the poorest refugee hosting farms at the final phase of the reorientation period.

3. 1996 country programmes

(a) Objectives

8. For 1996, the country programme objectives as established by OCM Beijing continue to be twofold: (a) the implementation of the policy and programme decisions adopted after the Nanchang Symposium concerning the reorientation of the programme toward self-sustainability to successfully conclude the programme by the end of 1996; and (b) the promotion of national legal procedures for determination of refugee status for the benefit of individual non-Indo-Chinese refugees and asylum-seekers.

9. In respect of Indo-Chinese refugees, the pursuit of the local settlement of this refugee population will be guided by two key policy considerations and assistance strategies. Firstly, local settlement can be seen as a genuine durable solution only if naturalization occurs. Secondly, the institutional dependency in the country of asylum must be overcome through strategies for building preparedness for solutions.

10. To this end, efforts will be made to strive for further progress on the basis of accomplishments already made during the course of 1993/1994 both in reorienting of the assistance programme towards self-sustainability and in further sensitizing the Government on issues relating to the eventual phasing out of UNHCR assistance and the durable solutions of naturalization and voluntary repatriation.

11. In respect of urban non-Indo-Chinese refugees, the main objective for 1996 will continue to be the promotion of international refugee protection to enhance the country's adherence to the basic provisions of the 1951 Convention and 1967 Protocol. The situation of the non-Indo-Chinese refugees and asylum-seekers

will continue to be managed to serve as a catalyst in UNHCR's pursuit of dialogue and cooperation with the Chinese authorities in the vital areas of the procedures for refugee status determination and the principle of temporary asylum. Efforts will be made to maintain the momentum of the previous years, which saw a renewed interest among the concerned governmental departments in the elaboration of a national legislation on refugees. In this respect, UNHCR will continue to disseminate promotional materials in Chinese and to organize refugee law seminars for government officials. Moreover, at this stage of sensitization, more emphasis will be placed on providing technical training on refugee status determination.

(b) **Proposed budget for 1996**

(i) **General Programmes**

12. **Care and maintenance**: For 1996, the initial budget is based on a projected caseload of 45 persons (25 refugees and 20 persons of concern). This number will be monitored and, in the event of further increases, a revision may be required.

(c) **Local settlement**

13. In order to ensure the conclusion of the local resettlement programme within the established time frame, programme planning and implementation during the course of 1996 will strictly adhere to the recommendations of both the Nanchang Symposium and the August 1994 Report prepared by the Programme and Technical Support Section. The programme resources will be geared exclusively to meeting the remaining needs of the clearly identified target of poor farms/settlements as agreed upon between UNHCR and the Ministry of Civil Affairs (MCA). Within the framework of an integrated approach, the implementing partners will be provided with technical guidance to achieve an appropriate balance to address problems of unemployment as well as to ensure programme self-sustainability through the creation of durable financial assets for the programme beyond 1996.

(d) **Implementing partners**

14. The Office for the Reception and Settlement of Indo-Chinese refugees within the Ministry of Civil Affairs continues to be UNHCR's implementing partner for the local settlement assistance and voluntary repatriation of Indo-Chinese refugees. It maintains branches in each of the provinces with refugee populations and is responsible for overall project planning, monitoring and supervising implementation by state farms and enterprises in close collaboration with the provincial authorities and the local offices of the Overseas Chinese Affairs and Land Reclamation Bureau. For individual non-Indo-Chinese refugees and asylum-seekers, basic care and maintenance assistance continues to be provided directly by UNHCR in consultation and coordination with the Beijing Public Security Bureau and the Ministry of Public Security.

15. The Chinese Government has contributed most of the funding required for infrastructure development, housing, recurrent costs and living subsidies for the Indo-Chinese refugees. As at 31 December of 1993, the Chinese Government estimated

that it had already spent over $ 730 million for these refugees since their arrival in China in the late 1970s.

(e) **Programme Delivery and Administrative Support Costs**

16. Variations due to changes in budget parameters are not discussed in the subsequent analysis (Overview of UNHCR Activities, Part I (A/AC.96/845) refers).

(i) **1994 expenditure (all sources of funds)**

17. The 1994 expenditure was not significantly different from the revised estimates.

(ii) **Revised 1995 requirements (all sources of funds)**

18. The revised 1995 requirements are marginally higher for temporary assistance mainly because a further increase of some 15 per cent is anticipated in overall service charges relating to staff seconded by the Diplomatic Services Bureau.

(iii) **Initial 1996 requirements (all sources of funds)**

19. The 1996 requirements are not significantly different from the 1995 revised requirements.

UNHCR EXPENDITURE IN CHINA

(in thousands of United States dollars)

1994	1995		1996	
AMOUNT OBLIGATED	ALLOCATION APPROVED BY 1994 EXCOM	PROPOSED REVISED ALLOCATION	SOURCE OF FUNDS AND TYPE OF ASSISTANCE	PROPOSED ALLOCATION/ PROJECTION
GENERAL PROGRAMMES (1)				
25.0	–	–	EMERGENCY FUND	–
179.6 a/	158.5	273.3	CARE AND MAINTENANCE	170.1
1.1 b/	–	–	VOLUNTARY REPATRIATION	–
2,036.3	2,061.0	2,058.0	LOCAL SETTLEMENT	2,112.0
2.0 b/	–	–	RESETTLEMENT	–
166.4	167.4	206.3	PROGRAMME DELIVERY See Overview Tables (Part II)	196.5
2,410.4	**2,386.9**	**2,537.6**	**SUB–TOTAL OPERATIONS**	**2,478.6**
133.2	133.5	124.7	ADMINISTRATIVE SUPPORT See Overview Tables (Part II)	123.7
2,543.6	**2,520.4**	**2,662.3**	**T O T A L (1)**	**2,602.3**
SPECIAL PROGRAMMES (2)				
81.9	–	–	COMPREHENSIVE PLAN OF ACTION	–
–	–	–	OTHER TRUST FUNDS	–
76.7	86.0	95.0	ADMINISTRATIVE SUPPORT Junior Professional Officer See Overview Tables (Part II)	95.0
158.6	**86.0**	**95.0**	**T O T A L (2)**	**95.0**
2,702.2	**2,606.4**	**2,757.3**	**GRAND TOTAL (1+2)**	**2,697.3**

a/ of which US$ 9,615 incurred against Other Programmes